



# PUBLIC HOSPITAL DISTRICT NO. 1 OF PEND OREILLE COUNTY

BOX 669 • NEWPORT, WASHINGTON 99156 • 509-447-2441

## I. MISSION OF PUBLIC HOSPITAL DISTRICT #1 OF PEND OREILLE COUNTY WITH RESPECT TO CHARITY CARE

Pend Oreille Hospital District #1 is committed to the provision of health care services to all persons in need of medical attention regardless of ability to pay. In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of charity care, consistent with the requirements of WAC 261-14, are established. These criteria will assist staff in making consistent and objective decisions regarding eligibility for charity care while ensuring the maintenance of a sound financial base.

## II. DESCRIPTION OF ELIGIBILITY CRITERIA

Charity care is generally secondary to all other financial resources available to the patient, including group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, third party liability situations (e.g., auto accidents or personal injuries), or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services.

In those situations where appropriate primary payment sources are not available, patients shall be considered for charity care under this hospital policy based on the following criteria as calculated for the 12 months prior to the date of service.

A. The full amount of hospital charges that are not covered by public or private sponsorship will be determined to be charity care for any patient whose gross family income is at or below 100% of the current federal poverty guidelines (consistent with WAC 261-14-027).

B. The following sliding fee schedule shall be used to determine the amount which shall be written off for patients with incomes between 100% and 200% of the current poverty level:

INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL	PERCENTAGE DISCOUNT
101% TO 133%	75%
134% TO 166%	50%
167% TO 200%	25%
Over 200%	Not eligible

C. Available assets are used to determine eligibility for charity care if family income is greater than 100% of the federal poverty guideline.

### III. PROCESS FOR ELIGIBILITY DETERMINATION

#### A. Identification of Potential Charity Care Patient:

1. Initial Determination: During the patient registration process, the hospital will make an initial determination of eligibility based on verbal or written application for charity care. Pending final eligibility determination, the hospital will not initiate collection efforts or requests for deposits, provided that the responsible party is cooperative with the hospital's efforts to reach a determination of sponsorship status, including return of applications and documentation within fourteen (14) days of receipt.
2. Final Determination: The hospital shall use an application process for determining initial interest in and qualification for charity care. Should patients not choose to apply for charity care, they shall not be considered for charity care unless other circumstances or intent become known to the hospital. Patients will be asked to provide verification of ineligibility for Medicaid or Medical Assistance. During the initial request period, the hospital may pursue other sources of funding, including Medicaid.

Application Process: Charity care forms, instructions, and written application shall be furnished to patients when charity care is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or the hospital should be accompanied by documentation to verify income amounts indicated on the application form. One or more of the following types of documentation may be acceptable for purposes of verifying income:

1. W-2 withholding statements for all employment during the relevant time period;
2. Pay stubs from all employment during the relevant time period;
3. An income tax return from the most recently-filed calendar year;
4. Forms approving or denying eligibility for Medicaid and/or state-funded Medical Assistance;
5. Forms approving or denying unemployment compensation; or
6. Written statements from employers or welfare agencies.

Income Basis: Income shall be annualized from the date of service based upon documentation provided and upon verbal information provided by the patient. The annualization process will be determined by the hospital and will take into consideration seasonal employment and temporary increases and/or decreases of income.

Prima Facia Write-Offs: Hospital Administration may choose to grant charity care based solely on the initial determination. In such cases, the hospital will not complete full verification or documentation of any request.

3. Time Frame for Final Determination and Appeals: The hospital shall provide final determination within fourteen days of receipt of all application and documentation material.
4. Denials: Denials will be written and include instructions for appeal or reconsideration as follows. The patient/guarantor may appeal the determination of eligibility for charity care by providing additional verification of income or family size to the Patient Accounts Manager within fourteen days of receipt of notification. All appeals will be reviewed by the Assistant Administrator. If this determination affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

#### IV. DOCUMENTATION & RECORDS

- A. Confidentiality: All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form.
- B. Retention: Documents pertaining to charity care shall be retained for 3 years.

#### V. NOTIFICATION

The hospital's charity care policy shall be publicly available through the posting of a sign and the distribution of written materials indicating the policy to patients at the time that the hospital requests information pertaining to third party coverage.

5/15/91